

## Message Text

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ORIGIN COME-00

INFO OCT-01 EUR-12 IO-13 ISO-00 EB-08 STR-04 TRSE-00  
AGRE-00 CEA-01 CIAE-00 DODE-00 FRB-03 H-01 INR-07  
INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05  
SS-15 ITC-01 USIA-06 PRS-01 SP-02 FEAE-00 OMB-01  
AF-10 ARA-10 EA-07 NEA-10 /136 R

DRAFTED BY COM:TNAD/OTP/BIEPR: DGARDNER  
APPROVED BY EBOT/TA:DJDUNFORD  
COM:TNAD/OTP/BIEPR: WKRIST  
STR: HLA WRENCE  
COM:TNAD/OTP/BIEPR: SCRAVEN  
TREASURY: EBARBER  
COM:OIFI/BIEPR: VTRAVAGLINI  
AGRICULTURE: JHUDSON  
COM:OER/BIEPR: JMENES  
STATE: RMEYER

-----043721 021740Z /46

R 021324Z AUG 77  
FM SECSTATE WASHDC  
TO AMEMBASSY OTTAWA  
INFO USMISSION GENEVA

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USMTN

E.O. 11652: N/A

TAGS: ETRD, CA, GATT

SUBJECT: NOTIFICATIONS OF SERVICES RESTRAINTS IN THE MTN

1. THE TRADE ACT OF 1974 URGES THE PRESIDENT TO TAKE ALL  
FEASIBLE STEPS TO ELIMINATE BARRIERS TO INTERNATIONAL TRADE  
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IN BOTH GOODS AND SERVICES AND INCLUDES SERVICES WITHIN THE  
PRESIDENT'S NEGOTIATING AUTHORITY FOR THE FIRST TIME. TO  
CARRY OUT THE TRADE ACT'S MANDATE ON SERVICES, STUDIES HAVE  
BEEN UNDERTAKEN BY THE COMMERCE DEPARTMENT AND BY THE  
ACCOUNTING FIRM OF WOLF AND COMPANY UNDER CONTRACT. THESE  
TWO STUDIES INDICATE A WIDE VARIETY OF RESTRAINTS AFFECTING  
THE INTERNATIONAL DISSEMINATION OF SERVICES SUCH AS IN-

SURANCE, BANKING, TRANSPORTATION, CONSULTING ENGINEERING, FRANCHISING AND OTHERS. BOTH STUDIES, HOWEVER, CONCLUDE THAT THE GREAT MAJORITY OF RESTRAINTS ARE ASSOCIATED WITH INTERNATIONAL INVESTMENT, WITH A RELATIVELY SMALL PORTION BEING ASSOCIATED WITH INTERNATIONAL TRADE IN SERVICES. SINCE THE MTN IS CONCERNED WITH BARRIERS TO TRADE, INVESTMENT-ORIENTED SERVICES PROBLEMS ARE NOT APPROPRIATE FOR NEGOTIATION THERE. IN FACT, SOME OTHER COUNTRIES MAY EVEN RESIST THE INTRODUCTION OF TRADE-RELATED SERVICE PROBLEMS IN THE MTN SINCE THERE IS LITTLE PRECEDENT FOR DOING SO IN PREVIOUS TRADE NEGOTIATIONS. ACCORDINGLY, U.S. SERVICE RESTRAINT NOTIFICATIONS IN THE MTN WILL INCLUDE ONLY

SIGNIFICANT RESTRICTIONS WHICH ARE ANALOGOUS TO NONTARIFF MEASURES AFFECTING TRADE IN GOODS.

2. BASED ON THE STUDIES MENTIONED ABOVE, WE HAVE SELECTED CANDIDATES FOR NOTIFICATION IN THE MTN. THE EMBASSY IS REQUESTED TO VERIFY THE EXISTENCE OF THE RESTRICTIONS LISTED IN PARA 4 BELOW. ALSO, THE EMBASSY IS REQUESTED TO (A) SUPPLY ANY ADDITIONAL INFORMATION AVAILABLE, PARTICULARLY WITH REGARD TO THE INTENT OF THE RESTRAINT AND ANY DISCRIMINATORY ASPECTS THEREOF, (B) ASSESS THE IMPORTANCE OF EACH OF THE RESTRAINTS LISTED IN TERMS OF ITS EFFECT ON ACTUAL OR POTENTIAL U.S. TRADE IN GOODS OR SERVICES, (C) ADVISE WHETHER OTHER SIGNIFICANT RESTRAINTS ON SER-

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VICES HAVE BEEN OVERLOOKED, AND (D) ADVISE ON THE UTILITY OF ATTEMPTING TO REDUCE OR ELIMINATE THESE SERVICE RESTRAINTS IN THE MTN.

3. AS EMBASSY MAY BE AWARE, THE SPECIAL TRADE REPRESENTATIVE HAS RECENTLY AGREED WITH THE EUROPEAN COMMUNITY ON A TIMETABLE DESIGNED TO BRING THE MTN TO AN EARLY CONCLUSION. THIS HAS AN IMMEDIATE IMPACT ON THE TIMETABLE FOR OBTAINING INFORMATION ON RESTRICTIONS THE U.S. IS INTERESTED IN RAISING IN THE MTN. PRESENT PLANS REQUIRE THAT INTERAGENCY CONSIDERATION OF NOTIFICATION TEXTS BEGIN BY AUGUST 19 SO THAT NOTIFICATIONS CAN BE TABLED IN GENEVA AS SOON AS POSSIBLE THEREAFTER. ACCORDINGLY, THE EMBASSY IS REQUESTED TO REPLY BY AUGUST 8 TO ALLOW TIME FOR COMPILING RESPONSES INTO APPROPRIATE NOTIFICATIONS.

4. (A) CANADIAN CUSTOMS REGULATIONS PROVIDE FOR THE SEIZURE OF ANY FOREIGN PUBLICATION COMING INTO CANADA IN WHICH MORE THAN 5 OF THE ADVERTISING SPACE CONTAINS ADVERTISING DIRECTED TO CANADIANS; (B) TELEVISION COMMERCIALS MAY BE IMPORTED INTO CANADA FOR BROADCAST ONLY IF THEY MEET ALL CLEARANCE REQUIREMENTS BOTH BY GOVERNMENT

AND THE NETWORKS; AND (C) THE CANADIAN GOVERNMENT HAS  
ESTABLISHED "VOLUNTARY" GUIDELINES CONCERNING THE PER-  
CENTAGE OF RADIO AND TV COMMERCIALS THAT OUGHT TO BE  
PRODUCED IN CANADA. CHRISTOPHER

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## Message Attributes

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**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE CONTROLS, TRADE AGREEMENTS  
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**Disposition Date:** 22 May 2009  
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**Disposition History:** n/a  
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**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
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**To:** OTTAWA USMTN  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009